

DOCUMENT RESUME

ED 214 542

IR 010 130

AUTHOR Jones, William G.
TITLE Salary Compensation Systems for Librarians: A Study of Ten Members of the Association of Research Libraries. Occasional Paper Number 5.
INSTITUTION Association of Research Libraries, Washington, D.C. Office of Management Studies.
PUB DATE May 81
NOTE 29p.
AVAILABLE FROM Office of Management Studies, Association of Research Libraries, 1527 New Hampshire Avenue, N.W., Washington, DC 20036 (\$8.00, prepaid).
EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Academic Libraries; Academic Rank (Professional); College Libraries; Compensation (Remuneration); *Employment Level; Evaluation Methods; Higher Education; Job Performance; *Librarians; Library Personnel; Occupational Surveys; *Personnel Evaluation; *Research Libraries; *Salaries

ABSTRACT

This paper presents the results of a review of professional compensation systems in a number of major academic libraries which was conducted in order to advance the understanding of librarian compensation and to help libraries choose and develop systems that best promote librarians' interests. The systems of compensation identified during the review are briefly described, including free form, professional ranking, position classification, and mixed. As background to the discussion, the most common industrial compensation systems are reviewed. An outline of professional compensation systems are reviewed. An outline of professional compensation methods, specifically position description, standard job evaluation, generic classification, the career-curve approach, and the individual contribution approach, is also provided. The salary compensation systems represented by libraries contributing information to the study are then discussed in detail, with special attention paid to professional ranking with and without subdivisions and to position classification as in the federal system. Among major issues reviewed are institutional and financial constraints on library compensation systems, the use of merit review procedures, job value, and alternate reward systems. A 9-item reference list is included. (JL)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

ED214542

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

- ✱ This document has been reproduced as received from the person or organization originating it.
- Minor changes have been made to improve reproduction quality.
- Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

OMS

Salary Compensation Systems for Librarians:

A STUDY OF TEN MEMBERS OF THE
ASSOCIATION OF RESEARCH LIBRARIES

Occasional Paper Number 5
May 1981

by William G. Jones

Office of Management Studies
Association of Research Libraries
Washington, D.C.

"PERMISSION TO REPRODUCE THIS
MATERIAL IN MICROFICHE ONLY
HAS BEEN GRANTED BY

Maxine K. Sitts

TO THE EDUCATIONAL RESOURCES
INFORMATION CENTER (ERIC)."

IR010130

This publication, one in a series of OMS Occasional Papers, has been prepared under the OMS Collaborative Research/Writing Program. First announced in 1980, this pilot program enables selected librarians to work with OMS staff in joint research and writing activities.

William G. Jones is Assistant University Librarian
(Collection Development and Information Services)
at the University of Illinois at Chicago Circle
Library.

(Additional copies available for \$8.00, prepaid only.)

Office of Management Studies
Association of Research Libraries
1527 New Hampshire Ave., N.W.
Washington, D.C., 20036

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	1
Participating Libraries	1
Questions Addressed	2
Systems Identified	2
1) Free form	2
2) Professional Ranking	3
3) Position Classification	3
4) Mixed	3
BACKGROUND	5
Industrial Compensation Systems	5
1) Job Ranking	5
2) Predetermined Grading	5
3) Point Rating	5
4) Factor Comparison	5
Professional Compensation Systems	6
1) Position Descriptions	6
a) Functional descriptions	
b) Generic descriptions	
c) Job titling	
2) Standard Job Evaluations	6
3) Generic Classification	6
4) Career-Curve Approach	6
5) Individual-Contribution Approach	7

	<u>PAGE</u>
SALARY COMPENSATION SYSTEMS REPRESENTED BY LIBRARIES CONTRIBUTING TO THIS STUDY	8
1) Free Form System	8
2) Professional Ranking	10
a) Without subdivisions	10
b) With subdivisions	12
3) Position Classification	14
The Federal System	16
4) Mixed Classification	17
REVIEW OF MAJOR ISSUES	19
Systematic Constraints	19
Library Autonomy: Risks and Benefits	19
Merit Systems	20
Feedback on the Merit Review Process	20
Maximum Job Value	21
Alternate Rewards	21
CONCLUSION	22
FOOTNOTES AND ACKNOWLEDGEMENTS	23
REFERENCES	24

INTRODUCTION

Compensation systems for librarians encompass a wide range of formal agreements including such elements as salary, vacation, sick and disability leave, tenure, insurance benefits, and professional, sabbatical, and other leave programs. Of these, salary is likely to be perceived as the most important and the most subject to negotiation by the employee. In an economy beset by high rates of inflation and declining budgets, and in a profession experiencing reductions in staff size, the need to develop rational systems of compensation is required at all organizational levels. This paper describes some of the salary systems in academic libraries and the ways they are maintained. It is hoped that a review of basic systems in a select number of academic libraries will advance the understanding of how librarians are compensated and will help other libraries choose and develop systems that best promote their interests.

There are two fundamental components to salary compensation systems. The first is the method by which a value is ascribed to a particular job. This is usually the product of the classification and ranking system and has been addressed in SPEC Kit #7 (Personnel Classification, May 1974, updated 1978) as well as in the literature.¹ The second component is the means by which the salaries of individuals are adjusted over time, either through yearly or other periodic adjustments, or through promotion. In organizing this paper it has become clear that the two components must be addressed jointly and that the close relationship between the two renders the development of clear models difficult.

Participating Libraries

Drawing on materials in the SPEC files of the Office of Management Studies and supplemented by telephone interviews with administrative officers, ten research libraries were identified as having systems which could contribute to a review of salary compensation. These libraries are: Brown University, Columbia University,

Kent State University, Northwestern University, Ohio State University, Stanford University, Temple University, and the Universities of California and Michigan, as well as the federal civil service system. Source material for the latter was provided by the Smithsonian Institution.

With the exception of Columbia University and the Smithsonian, which have well-documented systems, the descriptions in this paper do not identify libraries by name. This preserves the anonymity (both requested and promised) of the contributors and serves to focus the discussion on the systems themselves.

Questions Addressed

Some of the basic questions addressed are:

- 1) What is the relationship between salary and classification and ranking systems in these libraries?
- 2) What happens to a salary compensation system over time as rates of inflation exceed the percentage increments which the parent institutions are able to grant to their employees?
- 3) Do libraries set limits on the values of the jobs beyond which salary advancement is not possible?
- 4) How is an equitable relationship among all jobs in a system maintained, especially when sharply rising entry-level salaries force a compression of the salary scale?

Only qualified answers are possible given the small number of libraries participating in this study. Nonetheless it is evident that some libraries have greater autonomy in addressing these issues than others, and that this autonomy usually is related to the administrative patterns established within the larger organization.

Systems Identified

Described below are the principal salary compensation systems identified for this review:

- 1) Free Form

Free form systems are those in which professional salaries are linked neither to classification nor to ranking systems and in which each salary is established on an ad hoc basis.

2) Professional Ranking

Professional ranking is based upon the assumption that compensation is a function of professional achievement and development. It is characteristic of faculty compensation systems in which achievement for teaching, research, and service to the profession are the principal yardsticks. In this approach, instead of ranking the position, the librarian is acknowledged to have attained some specified level of accomplishment related to a range of identifiable skills and characteristics such as knowledge of collection development principles, knowledge of the literature of a given discipline, or ability to utilize a large number of reference sources in the execution of a complex search strategy. By implication, employees within a library moving from one job to another retain their rank, even though the positions moved to may not have been filled previously by persons of equivalent rank. In such cases any existing job descriptions are likely to be revised and the level of responsibility required raised or lowered to correspond with the skills brought to it by the incumbent.

3) Position Classification

Position classification systems are based on the assumption that there is a well-defined set of requirements for a given job which must be met by any person chosen. Such systems are characteristic of industrial models and generally are not used in libraries without considerable modification, primarily because there is little recognition of those qualities of knowledgeability and creativity which are strongly emphasized in all professions. There are, however, two-track systems that apply classifications to positions while acknowledging professional attainment through professional development ranking. One of the most well-known of these systems is at the Columbia University Libraries.

4) Mixed

Whether compensation systems in libraries are a part of systems of a larger organization, or whether they reflect the complexities of the jobs for which they have been developed, a wide range of approaches that draw on different philosophies and traditions is presently in use. Some systems, such as the one at Columbia, combine job classification, based on administrative factors, and professional rank, which involves an assessment of an individual librarian's performance and achievements. Others are based upon career curve approaches which compensate people according to the number of years' experience they bring to the jobs, or employ a matrix approach in which advancement through

job ranking or position classification is in stepwise movements. Many variations are possible, but the salient feature of these systems is that they utilize scales based upon an analysis of at least two significant dimensions. Salary bases and ceilings may be established for any given combination of values along the two dimensions.

BACKGROUND

Industrial Compensation Systems

Much of the literature on the structure of compensation systems describes the industrial model where jobs are evaluated on point systems and divided into pay grades. These basic industrial systems, upon which most professional systems are at least in part derived, include the following:²

1) Job Ranking

Jobs are ranked according to a single numerical scale by committee or administrative review using the job description. All components of the job are considered in this non-quantitative fashion to arrive at the single rating.

2) Predetermined Grading

This system, of which a notable example is the federal civil service, matches job descriptions to one of a number of different grades that include minimum qualifications, experience, level of responsibility, and other dimensions. This is a non-quantitative method in which committee or administrative review of job descriptions results in assignment to a grade.

3) Point Rating

In the point rating system, every job receives a point score which is the sum of the number of points assigned for component elements. For example, the position of Slavic bibliographer might merit a very high score for its requirement for knowledge of foreign languages and a very low score for level of supervisory responsibility. Through such a system all jobs are ranked according to the sum of the weights assigned to each significant element required for their performance.

4) Factor Comparison

In the factor comparison system, the relative significance of essential factors such as job knowledge, supervisory responsibility, and degree of autonomy is assessed for each position. An example of the use of a factor comparison system in libraries was described by Tompkins in the May 1966 College and Research Libraries (op. cit.).

Professional Compensation Systems

Professional compensation systems usually are defined differently from industrial systems because of the extensive training and intellectual expertise required for job performance and the considerable discretion permitted in job fulfillment. Sibson outlines the approaches to describing professional jobs as:³

1) Position Descriptions

- a) Functional descriptions: The job is defined through a listing of duties associated with it. Within a given discipline one description reads much like another. Many variables influence the level at which such jobs are carried out, and considerable effort must be expended to describe them meaningfully.
- b) Generic descriptions: Jobs are defined in terms of the level of professional work involved, which eliminates the need for enumeration of specific responsibilities.
- c) Job titling: This approach is similar to generic descriptions except that a written identification of the levels of responsibility within the profession is not required.

2) Standard Job Evaluations

For professional positions whose essential basis of measurement is derived from job knowledge and talent, job evaluations are only of use when they are realistically based and appropriate to the standards within the profession.

3) Generic Classifications

This approach is based on the hierarchical ranking of generic descriptions. The shortcomings of this method are that it does not establish a well-developed system of pay levels and that it classifies individuals rather than positions.

4) Career-Curve Approach

This system is based on the assumption that professional employees will mature at some predictable rate following completion of their education. As proficiency will vary for each individual, different curves are drawn for various levels.

5) Individual-Contribution Approach

Similar to the career-curve, in this method individuals are evaluated five years after completing their professional training and placed on a curve with others of comparable levels of achievement. This system also may be used as a guide in those professions where individual bargaining is a feature of salary negotiation.

However structured, the pay levels associated with professional compensation systems often are derived from salary surveys conducted within the profession, because competition for positions extends beyond the local level and there is a need to establish competitive pay scales to attract and retain qualified people.

SALARY COMPENSATION SYSTEMS
REPRESENTED BY LIBRARIES
CONTRIBUTING TO THIS STUDY

The salary compensation systems in each of the ten ARL libraries examined in this study may be classified in one of the four types described earlier -- free form, professional ranking, position classification, and mixed classification. To a greater or lesser degree they all bear some relationship to the basic industrial and professional models. The following descriptions focus on the organization and maintenance of the systems and summarize their weaknesses and strengths.

1) Free Form System

Only one library maintains a compensation system not based on ranks or position classifications. However, this library has developed a two-track system awaiting implementation similar to the one at Columbia University. Presently, librarians are not ranked nor are positions classified. One kind of administrative responsibility is shown by the title "department head"; however, this title is applied to positions in departments of all sizes and budgets, with professional staffs ranging from one to more than ten. Other kinds of professional recognition may be shown in the use of "associate" or "principal" in the job title, but as a guide to level of compensation these designations are poor predictors.

Annual adjustments to salaries presently are made on a merit basis and are largely under the control of the library administration. For example the university administration may award 10% to the library for raises, calculated on 100% of the filled positions comprising the professional librarian salary base. An exception may occur in years when the university administration specifies that all salaries are to be adjusted by some fixed dollar increment or a specified percent, and from which only the remainder is available for merit increases.⁴ In recent years the percentage increase awarded the library has been the same as that awarded the faculty. The merit awards are based on performance reviews, which are not necessarily reread in salary planning sessions where department heads and assistant university librarians informally share information.

In arriving at the merit increases for the year, the library administration plots current salaries against an enumeration of positions by ascending salary rank. A characteristic acceleration in the slope of the curve is determined, and least squares lines are calculated for the upper and lower branches of the curve. Where these lines intersect the closest plotted coordinate is the graphically determined acceleration point. For a sample year, 80 percent of positions were represented by the lower branch. The upper curve reflects those positions occupied by librarians with administrative responsibility or seniority.

After decisions are made on whether to raise the base and by how much, merit increase adjustments are determined for each librarian. Greater increases have been awarded recently to those most affected by the new base. In the event an increase in the minimum salary is authorized, a linear equation is derived whose slope is the percent increase in the base salary divided by the number of positions to be affected. If y is the percentage increase for the x th position to be multiplied by the current salary, as x becomes greater y will diminish. Depending on resources available the number of positions affected may extend as far as the acceleration point in the salary curve.

An advantage of this system is that all librarians may see themselves as belonging to a single professional group, undifferentiated by administrative and non-administrative responsibilities. While administrative responsibilities may carry higher initial salaries, in the long run non-administrative career librarians can attain salaries comparable to those of administrative librarians. A disadvantage of the system is that librarians have no means of evaluating the rate of their professional development or of gauging the relative degree of responsibility associated with their positions. Yearly performance appraisals will provide a measure of the quality of performance, but the system does not provide a librarian with an overall framework for understanding the interrelationship of all professional positions. Recently the salaries of the library's administrative officers, the assistant university librarians, have stabilized and are thought not to be as likely to move as much as those at lower levels.

Because the library controls administration of the compensation system, equity adjustments, i.e. those adjustments which bring salaries into line with level of responsibility and years of experience, can be awarded easily without a complicated and formal review process. Perhaps because of the efficiency of this process, few, if any, inequities remain and there have been few equity challenges in the past few years.

2) Professional Ranking

a) Without subdivisions

Four libraries contributing to this study employ professional ranking models. Three employ faculty ranking systems without subdivision of the ranks into steps. One library has a system that parallels faculty ranking with four ranks, Librarian I, II, III & IV. In this last example of library salary administration, librarians do not have faculty appointments but do have academic appointments. For two libraries having ranking systems, salary administration is carried out largely within the library. At two other libraries, the salary structure is arrived at through collective bargaining. While salary minima for each rank are employed throughout three of the library systems, no formula is employed for determining the differential between one rank and the next rank above it. In at least one example, appointments to a given rank, while based on the responsibilities of the position, permit a one-step promotion attainable through personal achievement and growth in the job.

Although one of the libraries utilizing collective bargaining has a system that parallels faculty ranking rather than being a part of the faculty ranking system, the professional library staff are represented by the union that represents the academic faculty. The major difference between the terms of contract of the academic faculty and the professional librarians is term of appointment - nine months for faculty and twelve months for librarians. For the two schools utilizing collective bargaining, salaries for twelve-month contracts are pro-rations of nine-month faculty contracts. In the library maintaining a faculty ranking system, the minimum salaries of library faculty by rank are the same as the minimum salaries for faculty in any other university department.

For those libraries that have relative autonomy in the maintenance of their compensation systems, salary increases are administered each year according to guidelines set by their university administrations. Annual salary adjustments are based upon merit and only loosely tied to the annual self-appraisal and evaluations carried out by the librarian's supervisor. In one case, the amount of money to be administered is established as a percentage of the salary base for the library (for example, 90 percent of the sum of all position lines), multiplied by the merit increment established for that year (e.g., eight percent). Sometimes the university administration may specify that a given sum of money is to be awarded to each position "across the board" or that no percentage increase above a given amount may be awarded without justification in writing and administration approval. A characteristic method of

establishing merit increases for the year is first to assemble supervisors' ratings of individuals. In all the libraries under consideration, these ratings are reviewed either by the library administration or the personnel office, and revised according to the latter's perception of differences in rating styles and local circumstances. Following agreement on rating, a personnel librarian begins to work with dollar figures. For example, an eight percent raise on 90 percent of the filled positions might permit a merit increase of 10 percent for those given the highest rating. Occasionally no merit increases are awarded at all, perhaps for someone who has been denied tenure and has a terminal contract. Depending on the library, a specific percent merit increase may be associated with a given rating rather than a possible range. In other libraries, a given rating may be associated with a range of percents and adjusted for variations in rating styles of supervisors.

Sometimes university administrations use a salary pool in making equity adjustments. Sometimes these adjustments must be made from the salary allocation itself. Following the preliminary allocation of the merit increase pool, a library administrator analyzes the overall salary distribution to assure consistency in terms of men/women ratios, minorities, and administrative responsibilities. In general the distribution of increases follows the normal curve, with fewer examples of low and high performance ratings than middle range. One university library requires that all salaries be divisible by 120 in order that monthly pay be in whole dollars. To use all the money available for merit increases, slight adjustments on the order of .1 percent must therefore be made.

A consequence of awarding disproportionately large increases in base salaries relative to increases across the entire salary range is that over time the range becomes increasingly compressed. As a result it is not uncommon for libraries to report that from time to time they ask university administrations for funds to permit across-the-board adjustments to reduce the extent of compression.

In the two collective bargaining systems discussed in this paper, administration of the salary system is outside the control of the library administration. The library maintaining a ranking system parallel to the faculty system provides the opportunity for achieving a high relative salary through longevity, although merit is not a factor in the rapidity of advance. The same is true in the library included in the faculty ranking system, although a very small amount may be available for merit increases. In this case a faculty advisory committee reviews the current file of performance appraisal evaluations and advises the director on the distribution of the money. The director makes the final assignment and then informs the faculty advisory committee. A typical union contract may establish salary minima

for each rank each year, which are uniformly applied across the university. For those with salaries above the minima a formula is applied which, for example, may specify that the year's increase shall be composed of 10 percent of the first \$10,000, eight percent of the second \$10,000, five percent of the third and three percent of the fourth \$10,000. Those who achieve promotion in rank also are awarded fixed amounts, for example, \$300 for promotion to assistant professor, \$550 for promotion to associate professor, and \$800 for promotion to full professor.

b) With subdivisions

As in the federal system, some academic libraries choose to delineate movement through a compensation system in which each step is of a given duration. The system described below is applied at several university campuses, with salaries applied uniformly at each. In this example, librarians may be appointed to one of three ranks: Assistant, Associate, or Librarian, with some salary overlap between the ranks. In one example there are six steps within the assistant librarian rank, seven steps within the associate librarian rank, and five steps within the librarian rank. At the assistant librarian rank, advancement through the steps is yearly; at the associate librarian rank, advancement is yearly for steps one and two, and every other year for steps three through seven. In the librarian rank, advancement through the steps is every other year for steps one and two, three years for step three, and significant achievement is required for steps four and five. There is salary overlap between the top steps of one rank and the lowest steps of the next.

Appointments may be temporary, or career appointments may be awarded. In career appointments there is no termination date, and appointments can be terminated only after administrative review. Although librarians are not awarded tenure, attainment of career appointments is perceived as having comparable job protection.

Merit increases are not automatic; however, the assistant librarian rank is probationary, and promotion to associate librarian must be attained or termination takes place. There is no obligation to promote from the associate librarian rank to librarian. Promotion to career status must take place within six years, but may take place sooner. The promotion to full librarian must take place not less than four years after appointment as an associate but not sooner than two years.

In addition to merit increase and promotion in rank, adjustments are made so that the university remains competitive within the academic marketplace. These adjustments are based upon salary surveys of comparable institutions.

Their award is contingent on approval by the state legislature and an annual adjustment is assumed, but not assured. If approved, all ranks and steps are adjusted by the same percentage, as are the salaries. In 1979 the adjustment was 12 percent. Both the annual adjustment and high performance evaluations are needed for a librarian to avoid losing ground with respect to the overall movement of the economy.

Because of the overlapping ranks, a dollar reward does not automatically accompany promotion to the next rank; however, promotion may result in appointment to some step higher than the first step at the next rank. The criteria which determine the level of appointment are: 1) the personal achievement of the librarian, and 2) a judgment as to the dollar value of that achievement.

Although the adjustment of the range on a percent basis results in the gradual extension of the range and an increase in the dollar differential between low and high steps and ranks, the absolute percentage differential remains the same. Presumably the maintenance of this percentage differential preserves the merit features of the system.

Under the step plan, equity adjustments should not be necessary because of the close regulation of the rate of advance. For this reason it is important that the salary at the time of the initial appointment meets standards for compensation applied to all other positions. Five hundred dollars is roughly the value of a merit increase. Each step is about \$1000 apart. Salary advancement is most rapid at the assistant librarian level, where merit reviews take place annually.

Another library included in this study utilizes a form of the career-curve system. Each of four professional ranks is associated with a given career-curve. Six curves are available to exempt staff and faculty, of which the first four are applied to librarian ranks of assistant, associate, librarian, and senior librarian. The upper five curves also are used for faculty ranks and senior level administrators and deans. Librarians having administrative responsibility are assigned to the curves at the third and fourth ranks.

Any curve associated with a given rank displays salary minima and maxima for zero through 25 years of applicable experience. For any given number of years of applicable experience, the variation about the midpoint gradually increases from around 10 percent with zero year's experience to around 20 percent at 25 years' experience. Because these curves apply to minima and maxima according to years of experience, it is possible for someone to advance at a rate commensurate with his or her own level of accomplishment.

Once that person's salary reaches the upper limit prescribed for that particular job class, further salary advance can be no more rapid than the slope of the curve permits. At the lower end of the scale, the curve flattens out after nine years of professional experience. In actual practice the constraints of minima and maxima can be overridden after the fulfillment of various procedural formalities and the attainment of approval from administrators.

As with other compensation systems, annual increases are contingent on the amount of money the university administration awards to the library for salary adjustments. In the past year the range of increments awarded to individuals was between zero and 14 percent. In this respect maintenance of the system was no different than any other merit-based system.

An advantage of any system of compensation based on a series of professional ranks is that persons feel they are rewarded for possessing a distinctive array of skills and knowledge, and that, as skills develop, their standing as revealed by professional rank will rise.

A disadvantage of professional ranking in libraries is that there are often considerable differences in levels of assigned responsibilities for various categories of positions. In addition, the salary potentials for some positions are not as great as they are for others. Because libraries are hierarchical as well as professional organizations, a librarian who achieves a high professional rank through personal attainment, but who occupies a position in an area of the library not receiving strong administrative support, may stand little chance of obtaining the highest realizable salary.

3) Position Classification

One academic library in this study has established salaries within a series of salary grades in which positions are ranked according to hierarchical levels of responsibility. All academic professional (but not faculty) appointments are assigned a grade which may range from 40 to 60, and each grade is divided into five steps, or quintiles. A team of job analysts conducts job audits for the entire university. Promotion in grade is obtained through assignment of greater administrative responsibility as determined by the auditing team. Although the library budget contains a line for salaries of professional librarians, the amount on this line does not necessarily determine what is available for increases because of centralized salary administration.

From time to time there is an adjustment to the entire series, but this does not translate into across-the-board increases, because each person's salary remains tied to the increase mandated under the performance review. This has the practical effect of extending the salary ceiling for each range, thereby slowing a person's attainment of it.

Within grades, the range from base to ceiling is 50 percent. The maxima and minima vary by 50 percent around the mid-point, the maximum being 150 percent of the minimum. For example, a grade with a minimum of \$10,000 has a mid-point of \$20,000 and an upper limit of \$30,000. Although there is a theoretical ceiling on the value of any given job as the result of attaining the top of the range, in the five years that this compensation system has been in effect there has not been an instance within the library of anyone reaching it.

In performance appraisal reviews, supervisors assign librarians a numeric ranking ranging from one to five. Performance rankings are converted into percent increases established for each quintile. Half points may also be assigned. For example, a rating of 3.5 might result in a raise of 8 1/2 percent for a salary within the second quintile but only 7 1/2 percent for a salary in the fourth quintile. A result of this system is that the rate of advance toward the top of the salary range moderates for those in the upper quintiles. Also, the widening differential between those in the highest and lowest quintiles which occurs through the application of equal percentages is thereby reduced.

Within the library a separate ranking system independent of salary is maintained for the professional librarians but has no salary implications.

A consequence of a compensation system based on administrative responsibility is that non-administrative librarians' salaries become increasingly non-competitive in the academic library marketplace as experience accumulates. In the first four years of a librarian's career, salaries are competitive with librarians' salaries in comparable institutions. In the fifth through ninth years salaries are about \$1,000 less than in comparable institutions, and for service beyond ten years the difference may be \$3,000 or \$4,000.

Another feature of this particular compensation system is that there is no formal process for making equity adjustments for librarians, although at the moment there are no glaring inequities.

Between grades there is about a \$4500 overlap between the top of grade 40 and the bottom of grade 41. Examples of rankings for librarians and other academic professionals by administrative responsibility are:

42	Non-administrative librarian
44	Assistant department head
46	Department head
48	Assistant university librarian
52	University librarian
55	Provost
60	President

In the mid- and upper-50's not all grades may be used in the university.

To resolve some of the obvious problems occurring under this system, a librarians' review committee is expected to make some recommendations for needed changes during the 1980-81 academic year.

The Federal System

One of the best known position classification compensation systems is the federal government's. Information for this section was obtained from the Administrative Officer for Compensation at the Smithsonian Institution Libraries.

The federal system consists of 18 grades or ranks within its general schedule, with each rank subdivided into 10 steps. The librarian series may begin as low as grade five on the general schedule (GS), but usually starts at the GS9 level. Entry at the GS9 level is possible for librarians holding a Master's degree from an ALA-accredited institution. No test is required for librarians entering the schedule at the ninth level or above, but depending upon qualifications, those who wish to enter the schedule at the fifth or seventh level may be required to pass an examination. Salary advancement within this system may take place in one of two ways: either through step increases, or through promotion in grade. Step increases amount to about 3 1/2 to 4 percent of the salary of the employee and in steps 1, 2, and 3 take place every year. In steps 4, 5, and 6 increases are granted every two years. In steps 7, 8, 9, and 10, increases are awarded every three years. As long as the employee performs satisfactorily in the job, these step increases are automatic.

Professional growth is acknowledged through the possibility of attaining two promotions in grade for a person doing basically the same job, although it must carry more responsibility and may require less supervision. For example, a person may be promoted from a GS9 to a GS11 with one year's experience. Then, after grade 11 there must be at least one year's experience between each promotion in grade. To be promoted, however, job descriptions must be revised to show that the occupant is meeting the minimum qualifications for the

new grade and has assumed new responsibilities. Only two promotions within the same job are possible. For grades 5, 7, and 9 promotions skip the intervening grades of 6, 8, and 10 and jump to the next highest grade of 7, 9, and 11. From grade 11 on promotions are only to the next highest grade. In rare cases, the unused grades of 6, 8, and 10 may be called into use to provide an extension of the salary scale when promotion is not possible to the next grade because of the employee's inability to meet the minimum requirements for that grade. Promotions in grade are always accompanied by salary increases. Because salaries between grades overlap, promotion may bring classification at steps above the minimum in order to achieve the automatic increase in salary that must accompany promotion.

After three years, an employee may become a career civil servant, which is a title that provides a high degree of job security.

In addition to the adjustments described in the preceding paragraphs, Congress annually votes appropriations to permit a percentage adjustment of the entire system in order to compensate for the effects of inflation. The entire matrix is thereby readjusted, as are the salaries.

A clear advantage of this system is the degree of predictability a person has as to the rate of progress through the system. A disadvantage is that it is not possible to recognize and reward work of superior quality through the compensation system.

4) Mixed Classification

Only one library in this sample has a mixed classification system in the sense that two different dimensions are scaled to permit the creation of a salary matrix, and that is the Columbia University Libraries.

Columbia's two-track system has been fully described in the July 1980 issue of College and Research Libraries (41:295-304) by Frederick Duda, Assistant University Librarian for Personnel. It is a system which consists of five job classifications or position categories along one dimension and four ranks corresponding to levels of professional development along the other.

The salaries matrix features differentials of \$1000 between its lower position categories and \$2000 differentials for its upper level position categories. Assistant University Librarians are exempted from the ranking and are not included in the matrix. There is a 20 percent range between ranks 1 and 2 and 2 and 3, a 35 percent range between ranks 3 and 4, and a 30 percent range between ranks 4 and 5.

There is some possibility of attaining a salary as much as five percent above that specified for the top of a given position category and rank; however, that is generally discouraged. Any salary that is as much as 10 percent over the maximum for the position category and rank must be reviewed annually by the university librarian. In the past two years some salaries have been trimmed to bring them into closer adjustment with the salary matrix. To date there has not been a problem with professionals reaching the top of their salary ranges, since the number of ranks and positions provides opportunity for moving into a cell with a higher salary ceiling. A review of position categories to determine their appropriateness in the classification scheme is planned for the near future.

There are two types of promotional possibilities under Columbia's two-track system: promotion to a higher position category, and promotion to a higher rank. Those promoted to higher level positions receive a salary increase based on the difference between the minimum of the old position category and the minimum of the new position category. Ordinarily, a staff member promoted in rank does not receive additional compensation unless his or her annual increment does not meet the minimum of the new rank.

Adjustments to the matrix are in across-the-board increments rather than percentages, in order that the largest percentage increments are awarded to the lowest salaries.

The Columbia system enables the employee to understand the overall value of the job to the system in terms of requisite job knowledge, the designated level of responsibility, and the job's relationship to other jobs. It also imposes a limit on the value of the job itself in terms of compensation. It is possible to surpass that limit, but only by attainment of certain non-job-related criteria. The strength of the system is that these criteria are clearly defined.

Those who believe that performance on the job should be the single greatest predictor of advancement are likely to find two-track systems unsatisfactory. The basic issue is the determination within a library of the kinds of performance and levels of achievement which the library supports for its staff, and it was not evident in the collection of data for this paper that these issues are clearly addressed.

REVIEW OF MAJOR ISSUES

Although there is a wide range of compensation systems from which to choose, no system is without cost. Selection of a system is less a matter of determining technical sophistication than of finding one which is congruent with an organization's fundamental goals and objectives. Following are a brief review of some of the broader organizational issues and suggestions for further avenues of inquiry.

Systemic Constraints

Whether explicitly articulated or not, all the libraries providing information for this study have had to develop and maintain their compensation systems within fairly stringent constraints. One of these is the limited amount of money available. While institutions may have opportunities and often do make qualitative judgments on the relative importance of services, they also are accountable to boards of trustees, state legislatures, tuition-paying students, and ultimately, the adequacy of their incomes, whatever the source. Second, library organizations need to establish systems which can attract professionals of a level of competence commensurate with local and national standards. To do so, they compete within some defined market of professionals, for example, recent graduates of library schools. As a result, costs of replacement may force recruitment at salary levels as high as those paid to persons vacating positions. Because salaries have come to dominate the budgets of most libraries, positions may be eliminated or downgraded in order to permit the maintenance or upgrading of the salaries of those remaining.

Library Autonomy: Risks and Benefits

One of the basic distinctions made in this study is between those libraries with the autonomy to control the establishment and operation of their own compensation systems, and those for whom that authority is delegated to an organization-wide compensation office or for whom compensation is the product of negotiation between an administration and a union. Those libraries with the authority to establish and maintain systems are able to accrue the benefits of rewarding the positions seen as most important and of establishing standards for compensation consistent with national practice. The library administration's sensitivity to nuances in the quality of professional performance and job knowledge increases the possibility of developing a system that quickly takes into account distinctions of requisite experience and marketability of skills. On the other hand, that very autonomy may be a disadvantage to librarians because of their relatively small numbers and lack of effective bargaining and lobbying power within the larger academic or organizational community.

Those libraries where compensation decisions take place in the larger organizational environment run the risk of being neglected, particularly when compensation analysts fail to familiarize themselves with the details of the library marketplace. One participant within this study has suffered because of the inclusion of its librarians in a system which rewards supervisory responsibility, but ignores other dimensions of organizational responsibility.

Those libraries that are part of collective bargaining systems may run the risk of neglect when they are represented by bargaining units where librarians are in the minority. In these cases, decisions may be made which benefit the more prominent constituencies. Collective bargaining tends to compress the salary range because it is in the unions' interest to show that the more modestly paid but more numerous employees in the lower ranks have shown the greatest improvement. In this respect, librarians have proved to be beneficiaries, although the distinction between nine-month and eleven-month salaries is not always taken into account.

Merit Systems

Many of the libraries in this study base annual increases on merit principles. It is clear, however, that few librarians are denied at least the minimum merit increase and that the salary component attributed solely to merit is thereby diminished from what it might first appear. One of the respondents said that a goal was to attain an average differential increment of \$500 which could be attributed to outstanding performance. When compared with the overall escalation of prices in the economy at large the significance of these "merit" increases is mainly symbolic. In extreme form -- for example the libraries involved in collective bargaining and the federal system -- merit increases have no role at all, and the daily fulfillment of the employee's designated responsibilities is sufficient to qualify him/her for periodic salary adjustments.

In other examples the merit component is separate from annual cost-of-living increments, a system which is less subject to ambiguous interpretations by the employee. From the libraries surveyed, there appears to be an avoidance of tying professional salaries too closely to prescribed timetables for advancement with which pay increases are associated. In such libraries promotion brings only the recognition and extension of the salary scale, not advance to a new minimum.

Feedback on the Merit Review Process

In systems basing annual salary adjustments on merit review, librarians must be informed of the results. One practice is for the director or personnel officer to make available to the entire staff the general principles which guided that year's review and the ranges of awards being made. Each librarian is then informed in writing of his or her salary adjustment.

The methods for informing staff of salary adjustments were not discussed with the contributors to this study; neither were the reasons for choosing a particular method. Because supervisors' ratings were often subject to review and adjustment, it may be supposed that the supervisors are usually relieved of the obligation to explain actual decisions, this being the responsibility of library administrators who make the decision. One contributor did say that there was a disinclination on the part of many professionals to be informed of the precise correlation between performance and merit increases.

Maximum Job Value

In some systems professional salaries are a matter of public record. The possible impact of public disclosure on the organization of the merit review procedure or on staff perceptions of the consistency of the results is not known and was not considered in this study.

No contributors said or implied that equity challenges were frequent occurrences in their library systems. It is reasonable to suppose that staff confidence in the salary review process, the number of equity challenges generated, and the degree of individual satisfaction with the outcomes is related to the methods by which information on the process is made available. These are all dimensions worthy of study and further research.

Whether formally provided for or not, it was acknowledged by those interviewed that there were de facto limits on the values of jobs within their systems. In the more highly developed systems, particularly the mixed or matrix systems, the parameters are clearly identified. In systems based on position description, mixed, or matrix principles, the limits to salary advance are clearly known. In professional ranking systems not under collective bargaining, these limits are acknowledged in principle only but are not formally treated.

Alternate Rewards

Given the constraints under which academic compensation systems operate, other non-monetary rewards become closely associated with professional development. Among these are professional recognition through attainment of higher ranks and the assurance of job security through tenure or other forms of continuing appointment. In the world of librarianship this recognition may serve to contribute to increased job mobility and the prospects of employment elsewhere. And for some recipients, the psychological impact of receiving an extra percent or so above the mean for an institution increases the value of the reward beyond its monetary value.

CONCLUSION

In the last analysis it may not be surprising that there is so little structure to compensation systems within libraries. The dynamics of the economy, the local institutional situation, the values given to particular jobs, and the compressed range of salaries in the profession contribute to reduce the value of perceived benefits from well-structured systems. In addition, rewards are often as much in the area of professional recognition as it is in compensation.

One value to both librarian and administrator of having a well-defined system is that both have an indicator against which to gauge equity. In the long run, of course, individual perceptions may vary and neither administrator nor librarian may be certain that equity is assured, or that an employee may not at some point have grounds for a charge of discrimination.

This study revealed almost no development of models of compensation that take into account rates of attrition, or that plan for those who are likely to remain with the organization for the duration of their careers. This is surely the result of the year-to-year basis on which most salaries are based as well as of the larger organization's tying librarians' salaries to some larger population. Only one library used a least-squares approach to develop a curve against which to measure the impact of the increase in minimum salaries on other positions close to the base.

The impact of changes in the value of jobs in the profession at large was recognized by the contributors, but not treated in a systematic way. One library system does establish the value to be paid for positions through systematic survey of comparable institutions, but there is no indication of the value which institutions place on maintaining relative ARL median or base salary rankings. Nor was there any indication of how libraries simultaneously attempt to maintain a given ARL base or median salary ranking.

Many questions about actual practice remain to be answered, and the identification of models which may be in use would be worthwhile. In an area which is of such vital interest in terms of ability to recruit for the profession, further analysis is indispensable.

FOOTNOTES

- 1) See Marjorie M. Tomkins, "Classification and Evaluation of Professional Librarian Positions in the University of Michigan Library," College and Research Libraries, 27:175-184 (May 1966) and John Wilkinson, Kenneth Plate, and Robert Lee, "A Matrix Approach to Position Classification," College and Research Libraries, 36:351 (Sept. 1975).
- 2) This description of industrial systems was adapted from Leonard R. Burgess, Wage and Salary Administration in a Dynamic Economy. New York, Harcourt-Brace, 1968. pp. 28-39.
- 3) Robert E. Sibson. Wages and Salaries: A Handbook for Line Managers. New York, American Management Association, 1967. Rev. ed. pp. 176-190.
- 4) Other institutions may calculate the sum to be awarded as 90% of the total allocated to salary lines within the library because of anticipated rates of turnover.

ACKNOWLEDGEMENTS

The cooperation of the following people for providing information for this study is gratefully acknowledged:

Brown University - James Schmidt

Columbia University - Patricia Battin and Frederick Duda

Kent State University - Hyman Kritzer

Northwestern University - Benjamin Jacobson

Ohio State University - William Studer

Smithsonian Institution - Anthony Kohlrus

Stanford University - Dale Canelas

Temple University - Joseph Boisse

University of California - Joseph Rogers

University of Michigan - Jack Weigel

The author also acknowledges the contributions of Benjamin Jacobson and Beverly Lynch to the conceptual foundations of this paper.

REFERENCES

- Belcher, David W.
Compensation Administration. Englewood Cliffs, N.J., Prentice-Hall, Inc., 1974.
- Burgess, Leonard R.
Wage and Salary Administration in a Dynamic Economy. New York, Harcourt, Brace & World, 1968.
- Cohen, William A.
Principles of Technical Management. New York, AMACOM, 1980.
- Dunn, J. D. and Frank M. Rachel.
Wage and Salary Administration: Total Compensation Systems. New York, McGraw-Hill, 1971.
- Hellwig, Henry
"Base Salary and Incentive Compensation Practices in Not-for-Profit Organizations." Compensation Review, v. 10, no. 4, pp. 34-48 (1978).
- Husband, T.M.
Work Analysis and Pay Structure. London, McGraw-Hill, 1976.
- Maynard, Harold B.
Industrial Engineering Handbook. 3d ed. New York, McGraw-Hill, 1971.
- Patten, Thomas H.
Pay. New York, The Free Press, 1977.
- Weatherford, John W.
Collective Bargaining and the Academic Librarian. Metuchen, N. J., The Scarecrow Press, 1976.